

Insurance Do's and Don'ts for your Shelby Dodge

By Scott Drega

One of the great things about Shelby Dodges is that most owners drive them. I don't know of too many Shelby Dodges that are trailer queens and don't see some street driving. Let's face it, these cars were built to be driven and all of us enjoy pegging that boost gauge and putting some miles on them. Unfortunately, when we drive our Shelby Dodges we have to share the road with other drivers who are often not as attentive or as careful as they should be, and this makes properly insuring your Shelby Dodge all the more important because you never know when an accident might happen.

I was reminded of this on June 7, 2006 when my 1992 Dodge Spirit R/T was sideswiped by a minivan. This marks my third experience with insurance companies involving a Shelby Dodge and in each case the other driver was the at-fault party. You may be thinking I'm unlucky, but I walked away from each of these incidents and that's all one can ask for. However, as a result of these experiences I thought I could share some lessons learned so that you can learn from my mistakes and as opposed to learning the hard way as I did.

The most important step you can take is to insure your Shelby Dodge properly in the first place, so do your research and documentation ahead of time. Waiting until after an accident to try and set a value for your car only puts you at the mercy of the insurance company. After all the time, money and sweat you've likely poured into your Shelby Dodge over the years it only makes sense to protect that investment. Here are some steps that can be taken towards doing so.

1. **Appraisal.** Have your vehicle appraised by a professional appraiser. The appraiser should be I-CAR or ASE certified, have some kind of reputation and good standing, and be able testify in court on your behalf if necessary. The appraisal should reflect a true fair market value for the vehicle. An appraisal that simply increases the value of the car without basis for doing so will not hold up in a court of law, so don't run down to the local classic car dealer and have them write an overvalued appraisal with no documentation to support it. A good appraiser will do some market research and have some supporting sales to document and support the appraised value he/she assigns to the vehicle. In my case, sales for show quality Spirit R/Ts were difficult to find, so the appraiser used a for sale ad for a 91 Spirit R/T for \$6500, an ebay auction for a 91 Spirit R/T with 18k original miles that was bid to \$10,200 but did not meet the reserve, and an excerpt from Old Cars Price Guide which stated the value of a Spirit ES was \$5,000 in number 1 condition (no R/T was listed in the Price Guide). The insurance company came back and stated that these were not actual sales and therefore did not reflect the value of the car. On my own I was able to get three bills of sale for 91 Spirit R/Ts which helped strengthen

the appraisal for my 92 Spirit R/T, it was a lot of work on my part but was worth it. Ebay is a great source of sales data, and if you watch the classifieds on sites such as www.turbo-mopar.com and www.turbododge.com, you can find out what some cars sell for, and typically sellers on these sites are helpful, two were able to provide me bills of sale which I greatly appreciated.

2. **Document your vehicle.** This includes recording the maintenance and upgrades performed on the vehicle. Save all your receipts for parts and labor and keep them in a file. Document the production numbers on the vehicle to attest to its rarity. Examples like the GLHS are fairly easy to document what they are because so many web sites have information on these cars. Something unique, like an 89 Daytona C/S AGS competition package (1 of 269 built), are more difficult to document. I had an 89 C/S AGS that was rear-ended while parked in front of my house in 2002 and I had to document what it was to the insurance company. I had a magazine article from 1989, the option and accessory report from Chrysler showing it was one of 269 built, all my receipts as well as other documentation. With these items I was able to negotiate the settlement from the initial offer of \$750 to \$2250, which I felt was fair for a vehicle that was in average condition and had 150k on it. Documentation is critical to a claim, take the time and gather this information now rather than later because you might not be able to find it then, and really that's the last thing you want to be doing after an accident because trust me, I've been there!
3. **Agreed Value Insurance.** If your Shelby Dodge is not your daily driver and is garage kept, you can obtain agreed value insurance for your vehicle. This is still easier said than done at this point since the majority of our cars are still well under 25 years old. Most large insurers like Hagerty and Grundy require that the vehicle be this old for classic car insurance. There are some insurers out there who will provide classic insurance for the numbered Whittier built Shelby Dodges. The cars an insurance company will cover may vary from state to state. There are some additional usage restrictions with classic insurance, but it is cheaper than regular insurance, and if you have an accident, the agreed value will be tougher to challenge. Yes, it can be challenged (this is where your documentation and appraisal come into play), but will be more difficult for the insurance company to do so. I recently insured my 86 GLHS through American Hobbyist insurance because they agreed to also insure my Spirit R/T. The savings over my regular insurance was substantial and the insurance is agreed value insurance. If you drive your Shelby Dodge daily, then agreed value insurance will not be an option for you, but even without agreed value insurance if you value your daily driven Shelby Dodge take the time to document it and even have it appraised, it will be time well spent if you are so unfortunate as to have an accident.

If you do have the misfortune of having an accident here are some steps to follow that I've found help get results.

1. **Documentation.** Again, do not underestimate the importance of documenting your vehicle. Gather the production history on the vehicle, receipts for the work you've put into it, a copy of the professional appraisal, a copy of the agreed value policy you have on the vehicle, recent sales from ebay, anything you can to substantiate the value of the vehicle. Every little piece of information helps and demonstrates you've performed due diligence to substantiate what you have and the value of the vehicle.
2. **Negotiate in writing.** Create a paper trail and kill them with paper. Take the documentation you've gathered and send it to the insurance company. In my experience there is a huge difference between talking on the phone and saying "My Shelby Dodge is 1 of 1000 and I want \$xxxx for it" and sending them 40 pages of documentation to support what the car is and a reasonable value for it. I personally don't like to be drawn into over the phone negotiations with an insurance company. Why? For the simple fact that a phone conversation creates plausible deniability. It is way too easy for the insurance company to deny what they've said to you over the phone. I prefer to communicate in writing and via certified mail. Yes, it costs more money to send documents via certified mail but in the event you go to court, this leaves a documented paper trail and you have confirmation that the insurance company has received your communication to them, a fact they can't deny in court. It also shows you are serious about pursuing this issue. If you're serious enough to use certified mail, they know you're serious enough to drag the issue into court. Anyone can rant and rave over the phone but phone calls do not create an irrefutable paper trail. Additionally, it doesn't hurt to follow up phone conversations that the insurance company initiated with a certified letter or at the least an email. Again, they prefer to do business over the phone because they can deny what they said later. You need to be able to document what has transpired because if you go to court, you can guarantee that their lawyers are much better than your lawyer!
3. **Keep a file.** Keep copies of everything you send to the insurance company and any other pertinent information, such as your certified mail receipts, pertaining to your claim. I found it helpful to separate the paperwork regarding my property claim (my vehicle) and my medical claim. I also created a separate folder in my email program and saved all emails sent and received regarding my claim. I didn't hesitate to refer back to my letters either to let them know I was keeping track of what I told them in writing and when.
4. **Be professional and reasonable.** Don't make outrageous threats or demands. Keep your temper. I know this can be difficult to do, but you'll get better results if you're firm and not just a raving angry lunatic. Demanding \$10,000 for your rusted out 200k Shelby Charger will not help your cause. Get a reasonable value in mind, support that value with data, and be reasonable and professional about pursuing it. Insurance companies have rules to follow as well. They can't give \$10,000 for your

200k Shelby Charger if the market doesn't support that. They use sales data from dealers though, and these days not many dealers are selling Shelby Dodges, and if they are they are likely selling high mileage used ones. The comparables cited for an initial value on my R/T were base Spirits that sold for \$900-\$1200. The burden of proof lies on you as the vehicle owner to substantiate a value for the car, this is why documentation is so critical. Since at this point the majority of these cars trade hands through collectors, as I stated earlier I ended up tracking down some bills of sale to support a higher value for my car. If you present a reasonable, rationale argument in a professional manner the insurance company will likely be more willing to work with you.

5. **Patience.** Be patient, in most cases getting this resolved will take time. These companies prey on people needing the money to fix or replace their car. If you are into Shelby Dodges, hopefully like many of us you have more than one vehicle and aren't reliant on the Shelby Dodge involved in the accident for daily transportation. Insurance adjusters are under the gun to settle quickly, they want these claims off the books. However, that doesn't mean they aren't willing to wait you out if you demand more than what they feel is fair. I talked to several Shelby Dodge owners after the incident with my R/T and the consensus was that four to six months to receive a fair settlement was not uncommon. In my case it took five months to get an adequate settlement. You may get faster results, each case is different, and in my opinion I believe settlement time also varies by company and even by individual adjuster, but no matter what the case you will need to be patient, in all likelihood the matter won't be resolved as quickly as you'd like.
6. **Don't be afraid to "climb the ladder".** If you aren't getting results, keep going up the chain of command. In my case, I ended up getting to a district manager to get some action on my claim. The adjuster and his claims supervisor were extremely frustrating to deal with. The adjuster was clearly doing what his claims supervisor directed him to do, and the claims supervisor was of the opinion that a Dodge Spirit is just that, a plain Dodge Spirit. After tiring of his rhetoric, I asked for his supervisor and the claims supervisor actually refused to tell me who his supervisor was. Luckily for me, this was a major insurer I was dealing with and I was able to call their 800 number and get the name and phone number of his supervisor, the district manager, who did help to resolve my claim.
7. **Don't fall prey to bully tactics.** In the case of my Spirit R/T the insurance company told me when I balked at their initial offer that if I didn't accept their offer I would get nothing. Subsequently they called me again and told me this was my last chance to settle, if I didn't take their offer I would get nothing and they would also close the claim. Don't be intimidated by these kinds of bully tactics, insurance companies do this everyday and it is flat out wrong.
8. **Know where to file a complaint.** If you do experience bully tactics, or any other reprehensible tactics, learn where you can file a complaint.

Insurance companies are regulated by state. Each state should have an Insurance Administration who has oversight of the insurance companies doing business in that state. Don't hesitate to use them. Some, like Maryland, allow you to file a complaint on line. In my case, I filed a complaint in writing (of course using certified mail) on the basis that the insurance company did not use a comparable model when doing the valuation of my Spirit R/T (they used base 93 Spirits for their valuation) and that flawed valuation intentionally suppressed the value of my vehicle. In reviewing my case the investigator with the Maryland Insurance Administration found that the insurance company had also violated Maryland statute by not making an offer on a total loss within the required ten (10) days of the date of loss. Additionally, the investigator told me after their investigation was concluded if I was not pleased with the outcome I could request a hearing to which the insurance company would have to send a representative. These findings gave me some leverage to negotiate with, once I informed the insurance company I knew they broke the law and that I was going to request a hearing (thereby increasing their cost to settle the claim as they would have to send a company representative to the hearing) it also helped get my claim moving towards a settlement.

9. **Salvage values and title.** If they're trying to total the car and you're going to fix the car, make that known. Don't settle for a salvage title if you don't have to. Some states, like Maryland, don't have salvage titles. I did not sign my title over to the insurance company, and I recommend if you're keeping the car to fix or to part out that you do not sign the title over to them under any circumstances. Keep control of the vehicle (and your negotiations) by keeping the title in your name. Additionally, try to negotiate out of the salvage value being deducted. On my 89 C/S AGS I was able to keep the car and not pay any salvage value. On my R/T I kept the car and the salvage value was \$43.00, the lowest of their "typical" salvage values.
10. **Legal Options.** Hopefully you won't get to the point of having to litigate. That should be a last resort, but unfortunately though in some cases it might be your only option. There are some issues to consider when hiring a lawyer. A lawyer will likely take 25% (or more) of the property settlement. So if you have a car that the court awards you \$10,000 for, the lawyer is taking a \$2500 bite out of that settlement, ouch. Secondly, once you have a lawyer put something in writing to the insurance company, they will stop communicating with you and communicate through your lawyer to drive up your legal costs. There is nothing illegal about this, I personally find it to be an unscrupulous practice, but it is not forbidden by law and is standard practice. If you have personal injuries to contend with, using a lawyer might be more of an option as you can combine your property and medical claims in one suit, but if you just have a dispute to settle about the value of your vehicle a better option might be small claims court. In Maryland, the limit for small claims court is now

\$5,000. If I was unable to get a fair settlement my recourse would have been to file suit in small claims court. The cost to do so is nominal and you can represent yourself and keep 100% of the judgement.

Hopefully the vast majority of those who read this either already have or will obtain agreed value insurance and will never need it as they enjoy many more years of accident free driving in their Shelby Dodge. But as I said before my experience has been that you never know when an accident may happen, so it is better to be proactive rather than reactive, and I hope that my experiences and lessons learned may be of help to those who need it.